



## Enterprise finances (IBA-951) (ETTEVÕTTE RAHANDUS)

### SUBJECT DESCRIPTION

<b>Credits (ECTS)</b>	3.00 ECTS
<b>Assessment</b>	grading
<b>Aim of the subject and short description</b>	
<p>The aim of the study is to enable the student to acquire the necessary competencies of organizing value-based financial management of an organization. The aims and key areas of business finance. Methods used in the budgeting of investment projects and cost-benefit assessment. Investment decisions and uncertainty. Risk assessment and rate of return specification. Enterprise sources of financing, loan and lease decisions. Capital involvement and weighed average cost of capital (WACC). Establishing the capital structure that maximizes enterprise value. Enterprise dividend policy. Managing enterprise working capital (including management of liquidity, planning cash-flows, management of receivables and stocks) and short-term financing of an enterprise. International enterprise financial management. Enterprise mergers and takeovers. Reorganization of an enterprise.</p>	
<b>Learning outcomes:</b>	
<p>Student:</p> <ol style="list-style-type: none"><li>1. understands the principles of value-based financial management in an enterprise;</li><li>2. knows how to plan, assess and manage the investments and investment projects of an enterprise;</li><li>3. has gained knowledge about the organisation of financing in an enterprise and how capital price evolves.</li></ol>	